

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Industrial Promotion – Extension of certain incentives under Industrial Investment Promotion Policy (IIPP) 2005-10 to M/S Food Fats & Fertilizers Limited, Sy.No. 1604, Epuru (1B), Pantapalem (V), Muthukuru (M), Nellore District for their proposed project – Orders- Issued

INDUSTRIES & COMMERCE (FP) DEPARTMENT

G.O.Ms.No. 52

**Dated: 25-06 -2011
Read the following:-**

1. From the Director, M/S Food Fats & Fertilizers Limited, Nellore District Letter dated.05.01.2011.
2. G.O.Ms.No.50, Industries & Commerce (IP) Department, Dated 11.02.2009 and further amended vide G.O.Ms.8, Dated : 28.01.2011
3. From the Commissioner of Industries, AP., Hyderabad Single File No15/1/10/0916, dated.28.01.2011
4. Government Orders in Single File No15/1/10/0916, dated.29.01.2011
5. Minutes of the State Investment Promotion Committee Meeting held on 10.02.2011
6. Minutes of the State Investment Promotion Board Meeting held on 23.02.2011.

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ORDER:-

In the reference 1st read above, the M/s Food Fats & Fertilizers Limited is a Public limited company and established in the year 1960. They have three manufacturing plants in Tapdaipalligudem for manufacture of Refined Oils, Hydrogenated Oils, Fatty Acids, Soap Noodle and Power Plant.

2. M/s Food Fats & Fertilizers Limited proposes to set up an Oil refinery Project, in Nellore District with an investment of Rs.118.00 Crores and with a capacity of 2,20,000 MTPA. The Company proposes to generate an employment to 1000 persons and requested for the following incentives under Pipeline scheme for Mega Projects of IIPP 2005-10 policy.

- a. 100% Reimbursement of Stamp Duty and transfer duty paid by the industry on purchase of land.
- b. 100% Reimbursement of Stamp Duty for lease of Land/ Shed / Building and also mortgages and hypothecations.
- c. 25% Land Conversion charges for industrial use limited to Rs.10.00 lakhs only for Medium Enterprises.
- d. Fixed power cost reimbursement @ Rs.0.75 per unit for 5 years from the date of commencement of commercial production.
- e. Reimbursement of 100% VAT / CST or State Goods and Services Tax (SGST) for a period of 5 years from the date of commencement of commercial production.

- f. 50% Reimbursement of cost involved in skill up gradation and training the local manpower.
- g. 50% subsidy on the expenses incurred for quality certification / patent registration.
- h. 25% subsidy on specific cleaner production measures.
- i. Infrastructure like road, power and water to be provided at door step of the industry by contributing 100% of the cost of infrastructure from IIDF.

3. In the reference 2nd read above, Government has issued orders extending the existing cutoff date from 30.06.2010 to 31.03.2012 for commencement of commercial production by Mega Projects, which are under Pipeline satisfying the set criteria under IIPP 2005-10.

4. In the reference 4th read above, it was ordered to place the issue before State Investment Promotion Committee (SIPC).

5. In the reference 5th read above, State Investment Promotion Committee (SIPC) have discussed the above proposal and decided to place the matter before the State Investment Promotion Board (SIPB) with the recommendations of the SIPC:

6. In the reference 6th read above, State Investment Promotion Board in its meeting held on 23.02.2011 discussed the proposal in detail and decided to extend the following incentives to the Company:

- a. 50% VAT & CST / SGST reimbursement for a period of 5 years from date of commencement of commercial production.
- b. Power cost reimbursement of Rs.1.00 per unit for a period of 5 years subject to maximum of Rs.1.00 per unit from DCP.
- c. All other incentives as per IIPP 2005-10

7. Government after careful examination of the proposal and in view of the recommendations of the State Investment Promotion Board, hereby extend the following incentives to M/s Food Fats & Fertilizers Limited, Nellore District for their proposed Edible Oil Refinery with an investment of Rs.118.00 Crores as decided by the State Investment Promotion Board under Industrial Investment Promotion Policy 2005-10:-.

- a. To extend 50% VAT & CST / SGST reimbursement for a period of 5 years from date of commencement of commercial production.
- b. To provide power cost reimbursement of Rs.1.00 per unit for a period of 5 years as per the Food Processing Policy of IIPP 2005-10. However, the maximum reimbursement per unit will be limited to Rs.1.00.

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- c. All other incentives as per IIPP 2005-10.
- i. 100% reimbursement of Stamp duty and transfer duty paid by the Industry on purchase of land meant for industrial use.
 - ii. 100% reimbursement of Stamp duty and transfer duty paid by the Industry on financial deeds and mortgages etc.
 - iii. 25% rebate in land cost in Industrial Estates/IDAs limited to Rs.5.00 Lakhs
 - iv. 50% subsidy on the expenses incurred for quality certification limited to Rs.1.00 Lakh.
 - v. 25% subsidy on cleaner production measures limited to Rs.5.00 Lakhs.
 - vi. 50% subsidy on the expenses incurred for patent registration limited to Rs.5.00 Lakhs.
- d. The unit shall commence its commercial operation on or before 31st March 2012 to avail the above benefits under the pipeline scheme for Mega Project of IIPP 2005-10.

8. The Commissioner of Industries, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

C.R. BISWAL
PRINCIPAL SECRETARY TO GOVERNMENT
(FOOD PROCESSING)

To

The Commissioner of Industries, A.P., Hyderabad.

M/s Food Fats & Fertilizers Limited, Nellore District, through the Commissioner of Industries, AP, Hyderabad.

Copy to:

The Revenue (CT) Department.

The Revenue (Registration) Department.

The Energy Department.

The Irrigation (Reforms) Dept.

The Ind. & Com. (INF) Department.

The Accountant General, Andhra Pradesh, Hyderabad

The Commissioner of Commercial Taxes, Hyderabad

The Chairman & Managing Director, APTRANSCO., Hyderabad

The Managing Director, APCPDC Ltd., Hyderabad

The Vice Chairman & Managing Director, APIIC, Hyderabad.

The District Collector, Nellore District.

The General Manager, District Industries Centre, Nellore District.

The Managing Director, HMWS&SB, Hyderabad.

P.S. to Principal Secretary to Chief Minister

P.S. to Hon'ble Minister(Major Industries)

P.S. to Chief Secretary to Government

P.S. to Principal Secretary to Government & CIP, Industries & Commerce Dept.

SC/SF

// FORWARDED BY ORDER//

SECTION OFFICER